ROCKFORD TIMES

ROCKFORD STUDENTS EXPRESS THEIR OPINION ON BUDGET 2021-22

Pic1.2 It shows how the economy is on the way.

Pic1.1 The first paperless budget of 2021-2022. After a pandemic situation shows pros and cons.

It's an Onion Budget.

OPINION BY-PREM KUMAR.S XI - COMMERCE

It is an 'ONION BUDGET OF INDIA AND FOR THE INDIA". The reason why I call it as onion budget '<u>there is nothing for the common people</u>'.

When we take onions of different sizes but when you peel it completely what we get is nothing but just a waste of energy. Only the upper part of onion we have lot of things but inside nothing. Similarly our union budget -2021 has nothing for the common people.

The fact is that the prices are touching the sky at bullet train speed.

We have seen Onion prices soaring high during pandemic. Now also after the Union Budget 2021 we experience the similar situation making us to suffer more by hiking the price of essential commodities. There is a huge hike in prices but no hopes of coming down. For example Petrol and Diesel price and other products like:- Mobile phones are set to get more expensive, thanks to a 2.5% increase in customs duty on a few parts, as well as air conditioners and refrigerators - which are getting costly due to a duty increase on compressors.

WHY NOT BITCOIN?

What is Bitcoin? Each Bitcoin is a computer file that is stored in a 'digital wallet' app on a smartphone or computer. People can send Bitcoins (or part of one) to your digital wallet, and you can send Bitcoins to other people. Every single transaction recorded in a public list called the block chain.

What is the value of it?

1 Bitcoin equals 34,70,483.73 Indian Rupee.

WHY NOT BITCOIN?

So, here is the thing is that why not Bitcoin was presented in union budget 2021-2022 and Indian government is not focusing on it. If the government focuses it then we will have a lot of fund.

How many are the current users of Bitcoins in India?

Over a million user accounts in India, up from 550,000 in June. The exchange says 70 per cent of these users are aged less than 34.

So if in the union budget if they have imposed tax in it they will be getting better taxes or funds. But it is completely focusing in others sectors. It's giving more profit in manufacturing sectors and because of I the prices are going high.

Automobile parts are set to get expensive, with import duties up by 15%. Imports of cotton and silk are set to see a price rise, with duties on both rising by 10% and 5%, respectively. Meanwhile, nylon sees a price cut thanks to a reduction of 5% customs duty. Precious metals - gold and silver - are set to become cheaper, thanks to a 10% cut in customs duty, while stainless steel sees a 7.5% cut in duty. Iron also gets cheaper, thanks to a 5% reduction in duty. Copper and iron also see a drop in price.

Pic 1.3 comparing onion to budget.

VIEW ON EDUCATION SECTOR

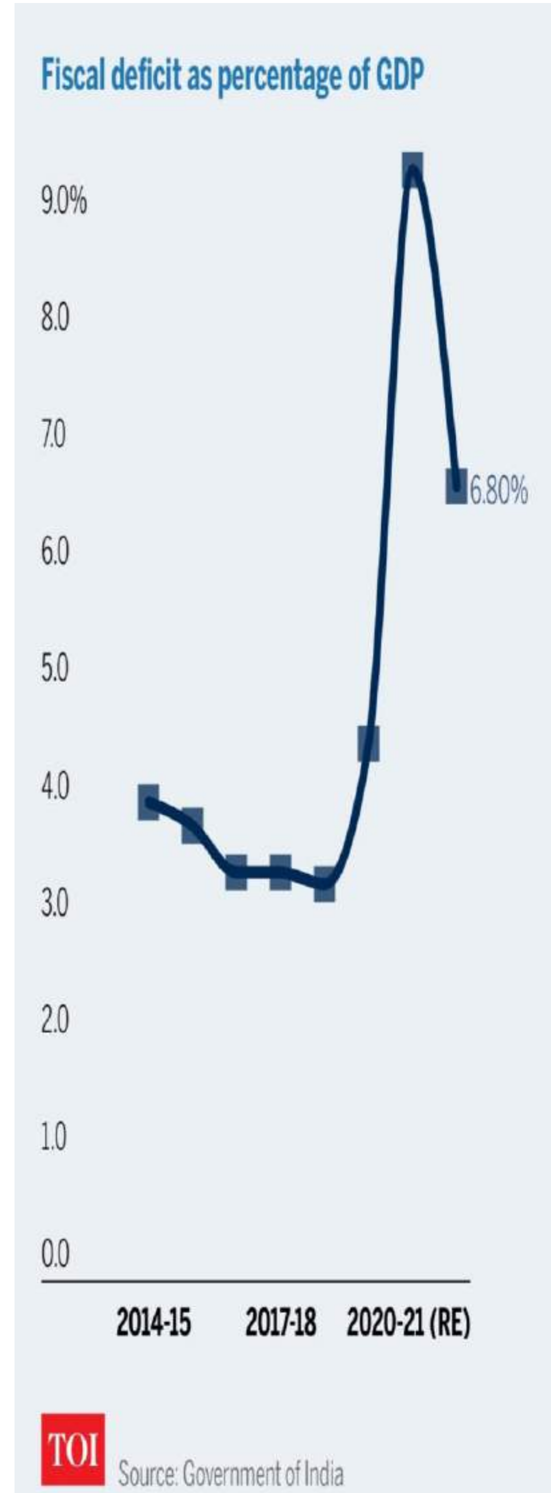
By- Sudeep XI STD

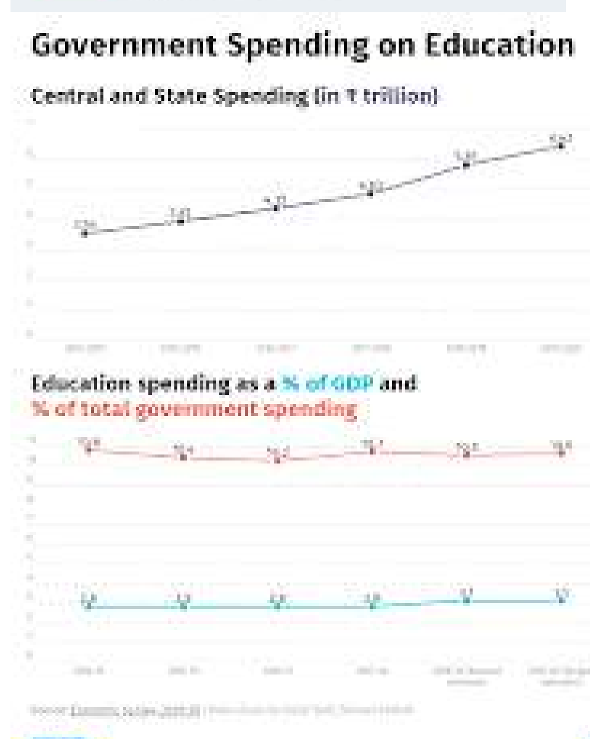
Education Sector of 2020-21.If we compare with last year's budget I feel it is more than enough for this year for Education Sector. In the union Budget 2020 (FY'21) proposed a new Education policy and along with it Rs : 99,300 Crore worth of funding for Education sector. Last year it was Rs : 94,800 Crore and this year it is increased by Rs . 4,500 Crore.

The reason is:- The Economic Survey 2020-21, dedicated to Covid warriors, states that online education took off in a big way during the pandemic. The percentage of enrolled children from government and private schools owning a smartphone increased enormously from 36.5% in 2018 to 61.8% in 2020 in rural India. "If utilized well, the resultant reduction in the digital divide between rural and urban, gender, age and income groups is likely to reduce inequalities in educational outcomes," adds the pre- budget economic survey.

PM eVIDYA, the survey mentions, is a comprehensive initiative to unify all efforts related to digital/online/on-air education to enable multi-mode and equitable access to education for students and teachers. Around 92 courses have started and 1.5 crore students are enrolled under Swayam MOOCs which are online courses relating to NIOS. PRAGYATA guidelines on digital education have been developed with a focus on online/blended/digital education for students who are at present at home due to closure of schools. The MANODARPAN initiative for psychological support has been included in Atmanirbhar Bharat Abhiyan.

India has attained a literacy level of almost 96% at the elementary school level. As per National Sample Survey (NSS), the literacy rate of persons of age 7 years and above at the All India level stood at 77.7 per cent whereas female literacy rate remained below national average among social groups of SC, ST, OBC including religious groups of Hinduism and Islam. The Survey pointed out high dropout rates at various levels of schooling and lack of affordability in higher education as areas of concern. The Survey emphasized that Samagra Shiksha 2018-19, was launched to envisage school education as a continuation from pre-school to senior secondary level to provide access to education to all.





ROCKFORD TIMES

SCRAP POLICY

DON'T LET FUTURE PLAN RUIN PRESENT

OPINION BY-VARSHINI AND A. PREM XI COMMERCE

I do not think I enjoy any of the things in this new budget 2021. I had a vehicle, which is 11 years old, but due to national scrappage policy, I have to pay green tax if it passes the fitness test. Being from a middle class family, I cannot afford money for a new car and tax at the same time. Therefore, I think this may bring problems to me and other people like me.

By this I would like to share my views the automobile sector. As we, all know vehicle-scrapping policy introduced this year stating that all commercial vehicles and personal vehicle should undergo fitness test once in 15 and 20 years. So if it is fails to pass on the fitness test. The vehicle has to be scrapped.. Therefore, because of this automatically there will be an increase in the sales and this will benefit the automobiles... Therefore, this union budget has benefited the automobile, health sectors and infrastructure but did not provide any tax beneficiaries for the common people. So in the view of a common person. This budget will not be beneficiary. We know how much Indian people are connected to their first thing and emotional attachment and do not want to sell and, by this it is hard to sell their vehicles. With highlighting the point "there is 3.38 m passenger vehicles, 1.01 m commercial vehicles, 701 000 three wheelers and 21.18 m two-wheelers. The luxury car segment is relatively small with sales of approx. 35 000 cars". The common people will buy a car for

PIC 2.1 Future plans to make all the cars Electric and Battery cars.

PIC 2.2 Scrapping policies by Union Budget 2021 which will lead to save environment but doesn't save money.

POSITIVE VIEW

A well-defined vehicle scrappage **policy** in India can help create an industry of its own with a business opportunity of $6 billion (Rs 43,000 crore) a year, say automobile sector executives and experts.

It could generate fresh employment and trigger economic growth, and also act as a critical factor to revive the automobile market that has been hit by a prolonged slowdown.

A comprehensive scrappage policy will result in reduction in costs, save foreign exchange and increase revenues in the long term.

This new policy is touted as one of the major steps taken to curb air pollution which is expected to boost the Indian automobile sector. ... In fact, scrapping policy will prove to

KEYWORD

DREAM OR NIGHTMARE?

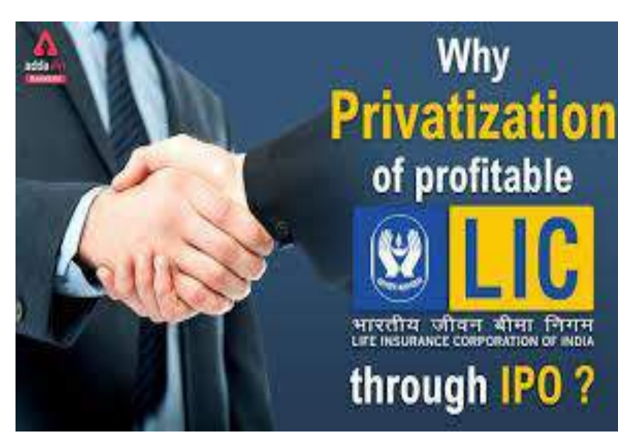
PREM KUMAR.S XI COMMERCE

PRIVATIZATION:-

Privatization is the process of transferring an enterprise or industry from the public sector to the private sector. For example, if an individual or organization purchase all the stock in a publicly- traded company, that effectively make it private so that process is described as privatization.

In this time budget, the Government has decided to give LIC to private company or invest on LIC. Is this a dream or a nightmare? Because LIC is not a company or public, sector but people keep trust on it. According to survey everyone and in every home has LIC policy. That is the people trust and it is only give insurance. Giving to private company is not a good move at all.

LIC is the profit earning company, which earns money every time what is the need to give to private.

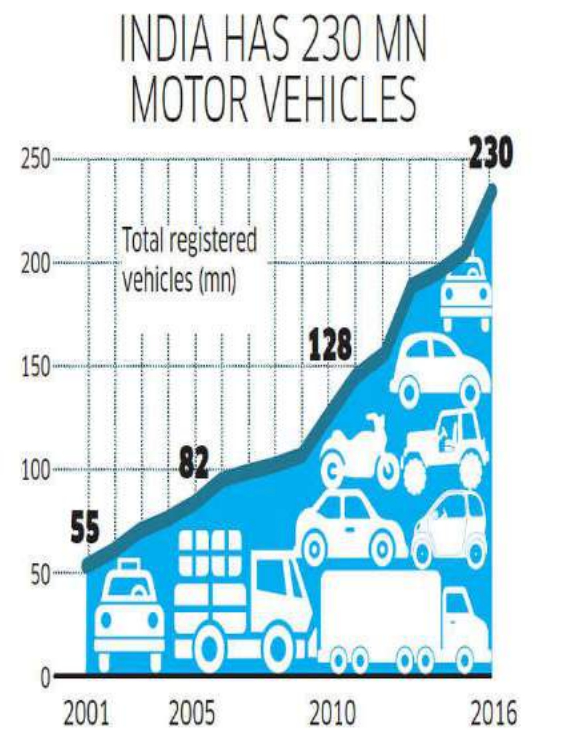


Infrastructure:

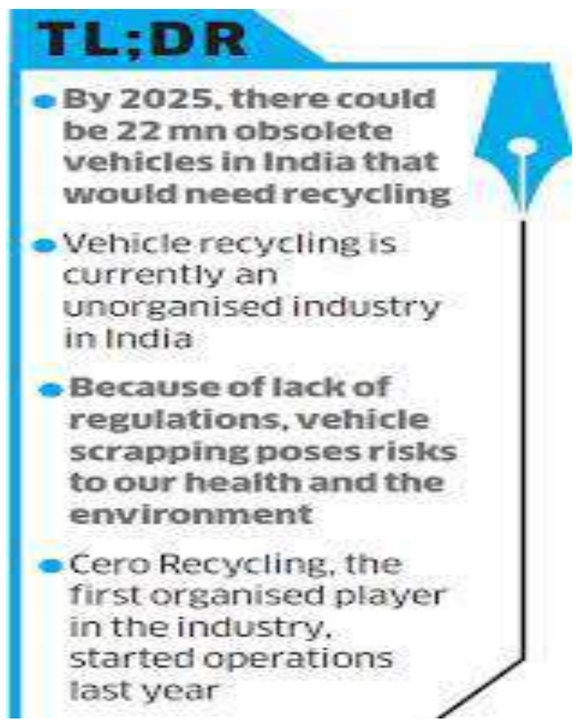
BARANIDHARAN.V XI

According to vehicle scrapping policy we will really suffer, a common man can't afford a vehicle 10 years once and if we want to continue driving the same vehicle we need to pay green tax even that is not possible.

They assured that 100% electrification to be done before 2023, if that happens we will be beneficial through .Every village will have the their emergency, use it, and if he is not good in finance how he can pay green tax it is hard to him and cannot afford new vehicles.



be a boon... not only it will boost the economy, benefit the automobile sector but also check vehicular pollution."

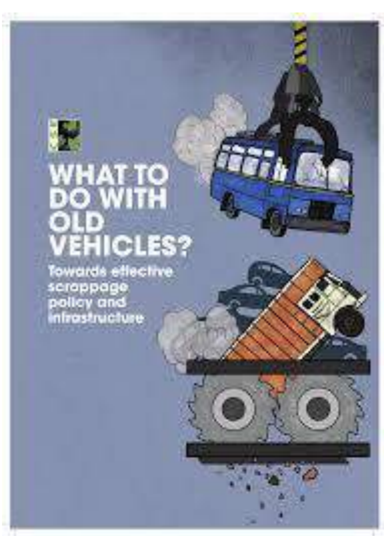


facility of electricity and everyone will utilize the current. Vehicles can run by electricity and we no need to demand for petrol.

National rail plan to bring a future ready railway system by 2030. A transport that every people can afford is train. Mostly everyone travel in trains and that will really be useful to them. This rail plan will also help common people if it gets implemented.

Not the right time.

The problems for this industry began long before coronavirus reached Indian shores or for that matter, surfaced in Wuhan. As the Indian economy began to slowdown mid-2018, the demand for trucks came under pressure. What complicated matters was the government's decision to revise the axle load norms. By allowing trucks to carry higher load, it had enhanced — in one shot — the sector's load-carrying capacity by 20 per cent. As the economy continued to tank in 2019, utilization of trucks fell. Consequently, sales of commercial vehicles fell sharply by 29 per cent in FY20. Covid-19 has only made things worse. The industry, which will see another sharp reduction in sales volume in FY21, is in the midst of what looks like the longest ever slowdown in its history.



The first challenge the policy will face is the age for scrapping of vehicles. The government was earlier toying with the idea of scrapping trucks that are over 20 years old. That may not work as the number of trucks that will qualify for scrapping is too small to revive demand. This would call for scrapping vehicles that are younger, say older than 15 years. Over six lakh units, it is estimated, will qualify under this and is a big enough number, theoretically, to boost demand.

But scrapping trucks that are older than 15 years is not easy. India is unique in that there are thousands of single truck owner-operators who run their vehicles, typically older than 15 years, in rural areas and feed their family. Scrapping such vehicles will rob them of their livelihood as they cannot afford a new vehicle. Actually, a new truck does not work for them if one considers the cost economics in which they operate. Essentially, they will have to go out of business. Many thousands of them doing so will hurt the government politically.

HEADING TOWARDS HEALTH SECTOR – LAKSHAYASRI {XI}

HEALTHCARE BUDGET 2021-22

India is among the countries which has the lowest public health care budget in the world.
In the budget 2021 address, Finance inister Nirmala Sitharaman announced fillips for the healthcare sector. It increased the spending on healthcare by 137%. India will spend around 2,23,846 crore on healthcare. An amount of Rs 35,000 crore will be spent on covid-19 vaccines as a part of the health care budget.
To boost the primary healthcare system around 11,000 urban and 17,000 rural health and wellness will be setup

Expenditure of health as percentage of GDP

2020-21 BE	1.8%
2019-20 RE	1.5%
2018-19	1.4%
2017-18	1.4%
2016-17	1.4%
2015-16	1.3%
2014-15	1.2%

There were rumors that the government may consider raising more money through STT and LTCG since the stock market gained from the pandemic. But the government did the right thing in rejecting this though.

There is increase in the budget of national health mission by 9.5% over the previous year from Rs 33,400 crores to Rs 36,575.5 crores in FY 2021-22.
Finance Minister Nirmala Sitharaman announced the launch of Aatmanirbhar Swastha Bharat Yojana with the outlay of around Rs 64,180 crore which is used for the development of primary, secondary and tertiary healthcare over a period of 6 years. These funds are used to develop health care systems and develop institute for the cure of new and emerging diseases.

The reduction in the GST an active pharmaceutical ingredients API from 18%-12% to reverse the inverted duty structure was expected. This can be considered surely one of the misses.

Pic 3.1 stock market exchange in union budget 2021-2022.

The public spend in the health care need to be increased from 1.2 percent to at least 2.5 percent of GDP in the next 3 years, this should be invested in modernizing and creating new health infrastructure.

The budget 2021 is the good start for Indian health care, the budget discussion was all about reviving the economy that got severely hit by the pandemic. To bring the country back to its track there was a huge focus on the healthcare budget.
The new scheme called Pradhan Mantri Atmanirbar Swasth Bharath Yojana with an outlay of Rs. 64,180 crores will be running alongside the National Health Mission.

STOCK EXCHANGE

*BSE and NSE-stock market- **ABHINAYA XI***

Social Stock Exchange : While presenting her first budget as Finance Minister in the Modi 2.0 government, Nirmala Sitharaman proposed the setting up of a Social Stock Exchange (SSE) in India. “It is time to take our capital markets closer to the masses and meet various social welfare objectives related to inclusive growth and financial inclusion,” said Ms. Sitharaman in her Budget speech a year ago. As the Finance Minister readies to present her second budget on February 1, more clarity will need to be provided on defining the operational parameters of the SSE and creating the policy framework for its roll-out on a priority basis. India is home to nearly 3 million non-governmental organization. We need to adopt a structured yet careful

We Have A System That Increasingly Taxes Work And Subsidize Non-work.

methodology to design the Social Stock Exchange starting with defining the term “social enterprise”
All taxes discourage something.
Why not? Discourage bad things like Pollution, rather than good things like working or investment?

TAXATION

Common man had expectations from the budget that it would provide tax relief in terms of reduction in tax rates or in widening of tax slabs. However, Finance Minister Nirmala Sitharaman has not tinkered with either of these while presenting the Budget proposals. It has been proposed that senior citizens of 75 years age and above, with only pension and interest income (from the bank in which pension income is received) are not required to file tax returns

to avail this benefit, the bank is required to be a "specified bank", which shall be notified by the government. Last year, the government had abolished Dividend Distribution Tax (DDT) and hence, dividend was made taxable in the hands of shareholders/unit holders from the financial year (FY) 2020-21. However, with a view to easing the advance tax payment requirement on dividend income, it is proposed that the liability to pay advance tax on such dividend income will arise only after the dividend has been declared. The interest up to Rs 1, 50, 000 on loan taken to purchase any house with stamp value not exceeding Rs 45 lakh and is available only to first-time homebuyers. According to me, I feel this is good and people feel

PIC 3.2 This time there is more in taxation and real states.

Comfortable with this.

Tax proposals
◎ Constitution of a Dispute Resolution Committee for small tax payers
◎ Dividend payment to REIT/InvIT to be exempted from TDS
◎ Eligibility for claiming tax holiday for start ups proposed to be extended by one more year
◎ Exemption from filing income tax returns for senior citizens (75 years and above) who only have pension and interest income. The paying bank will deduct the necessary tax on their income.
◎ Income Tax Appellate Tribunal to be made faceless
◎ Increase in limit for tax audit for persons who carry out 95% of their transactions digitally
◎ Pre filling of returns will also cover capital gains from listed securities
◎ Reducing time limit for reopening of income tax assessment.
◎Additional deduction of ₹1.5 lakh shall be available for loans taken up till 31 March 2022 for purchase of affordable house

TRANSPORT SECTOR:

-SOMESHWARAN XI

Union budget 2021- 21 is India is also among the countries, which have less public facilities.

On Feb 2 2021 finance minister Nirmala Sitharaman said that a scheme will be launched costing rs18000cr for transport sector. she also told that the government main aim is to expand the metro railways like Chennai metro railways and Bangalore metro railways Nagpur metro railways,etc.and finance minister Nirmala Sitharaman told that Indian railways has a plan for electrification of railways by 2030.

And even they are going to increase the number of buses in rural and urban places.so by this scheme there will be a boost in automobiles sector and this scheme will be benefitted for companies like Ashok Leyland, Volvo, force motors, etc. In addition, by this boost in automobiles sector, there will be a increase in employment opportunities and this can increase the country's economic growth.

Therefore, I think that this budget is good and government need to this of schemes where even common people will be benefitted.

"GDP – Growth and development in diesel and petrol"

Four operational metro networks have been given central funding for expansion this year:

1) Chennai Metro – ₹63,246 crore towards its 118.9 km under Phase 2 expansion.
2) Bengaluru Metro – ₹14,788 crore for its 58.2 km under Phase 2A and 2B expansion.
3) Nagpur Metro – ₹5,975 crore for its 48.3 km under Phase 2 expansion.
4) Kochi Metro – ₹1,957 crore for a 11.5 km line under Phase 2 expansion.

PPP approach to bus operations

The budget announcement included a new scheme to enable PPP operators to finance, procure, operate, and maintain over 20,000 buses across the country. This scheme, which would have an outlay of Rs 18,000 crore, should help bring innovation to urban bus operations, a sector which is dominated by state-owned bus operators in many cities.

Big hike in capital outlay in 2021

Year	Capital (BE)	Increase	% increase
2019-20	1,03,394.31	9,412	10%
2020-21	1,13,734.00	10,340	10%
2021-22	**1,35,060.72**	**21,327**	**19%**

TAX EXEMPTIONS FOR SENIOR CITIZENS

In INDIA the population of people above 75 years is 27,727.37 which is 2.68% out of 37 crore people. In which less than 0.1% people work or get monthly income as 2-3 lack or only 0.0001% people get above 5 lacks. In highlight to this the life expectancy of a person in average is 68 years. In contract to this the government is presenting a Tax Exemption for senior citizens. Which is totally a no logic lies in this which is also one of the biggest cons of it.

The budget says that Senior citizens above 75 years of age with only person and interest incomes have been exempted from filing tax returns, the Finance minister announced.

While tabling the union budget 2021-22 in Parliament, the minister said that the number of income tax return filers have increased to 6.48 now from 3.48 crores in 2014.

Sitharaman said serious tax offences of concealment of income of over Rs.50 lakh could be reopened even after 10 years. OPINION BY A.PREM

Income Tax Slabs & Rates : FY 2021-2022 (AY 2022-23) ReLakhs.com

Income Slabs	General Category (non-senior citizens)	Senior Citizens (60 & above years of age, but below 80 years)	Very Senior Citizens (80 years & above of age)
	Income Tax Rates		
Upto Rs. 2,50,000	Nil	Nil	Nil
Rs. 2,50,001 to Rs. 3,00,000	5%	Nil	Nil
Rs. 3,00,001 to Rs. 5,00,000	5%	5%	Nil
Rs. 5,00,001 to Rs. 10,00,000	20%	20%	20%
Above Rs. 10,00,000	30%	30%	30%

DISINVESTMENT

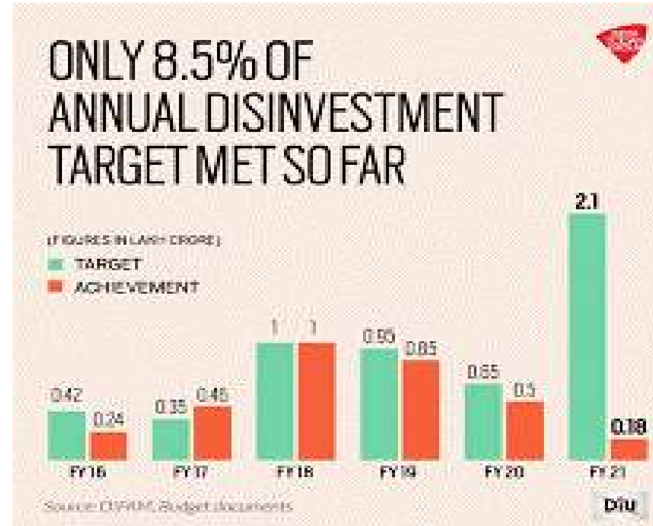
Small-scale industries were shut down and it was a down-time for many startups and self-governed employees. So, I just had a thought that there could have been some initiative for these sectors to bring the zeal back in them.

There is no incentive given to the textile industry. And when it comes to disinvestment it is not an appreciable one but the government doesn't have any other sources. No restriction on registration of one Person Company and relaxation in the threshold limits under company law and removing gst audit and so many things reduce s the compliance with law.

Disinvestment in India is a policy of the Government of India, wherein the Government liquidates its assets in the Public sector Enterprises partially or fully. The decision to disinvest is mainly to reduce the fiscal burden and bridge the revenue shortfall of the government.

Budget 2021-22: FY22 disinvestment target at Rs1.75 lakh crore; privatization of BPCL, Shipping Corp to be done.

The government has set a disinvestment target of Rs 1.75 lakh crore for 2021-22. This is lower than Rs 2.1 lakh crore it hoped to garner from disinvestment in 2020-21.
Adverse market conditions because of the pandemic affected government's disinvestment plans in 2020-21, and it is expected to fall short of the target by a long way.
Presenting the Union Budget for 2021-22, Finance Minister Nirmala Sitharaman said strategic sale of IDBI Bank, BPCL, Shipping Corp, Container Corporation, Neelachal Ispat Nigam Ltd, Pawan Hans, Air India, among others, would be completed during the year.



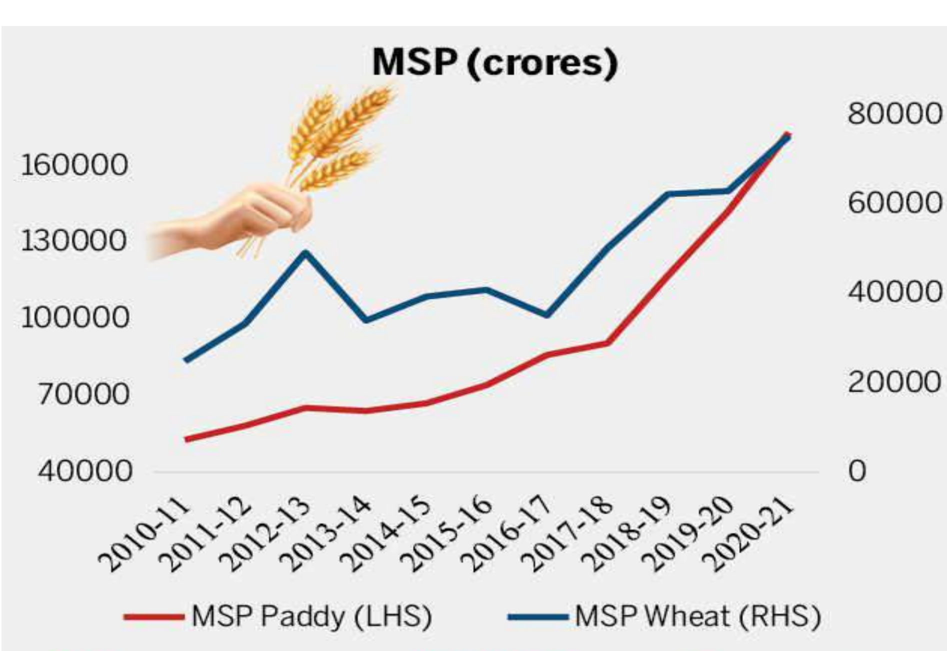
HALF AGRICULTURE

The agriculture and farmers' welfare ministry received 5.63 per cent more budget allocation at Rs 1,31,531 crore for 2021-22 and half of it would be spent on the flagship PM-KISAN scheme and slightly higher funds are made available for agro-infra fund and irrigation programs.

On MSP procurement, Sitharaman said the government's payment on wheat procurement has increased to Rs 62,802 crore in 2019-20 and even better in 2020-21 from the level of Rs 33,874 crore in 2013-14. About 43.36 lakh wheat growers have benefitted from the MSP payment in 2020-21 as against 35.57 lakhs in the last year. Similarly, the MSP payment on rice procurement has increased to Rs 1,41,930 crore in 2019-20 and an estimated Rs 1,72,752 crore in 2020-21 from Rs 63,928 crore in 2013-14.

"The MSP regime has undergone a change to assure price that is at least 1.5 times the cost of production across all commodities. The procurement has also continued to increase at a steady pace, this has resulted in an increase in payment of farmers, substantially," the finance minister said.

On the one hand, the budget allocation for the Department of Agriculture, Cooperation and Farmers Welfare was slashed 8.5% in 2021-22. The flagship PM-KISAN scheme, meant to provide income support to farmers, saw a 13% drop in its budget, which is ₹10,000 crore lower than last year's initial allocation.



It can be seen as a sign of support to the APMC system. If they are making APMCs eligible to borrow from this fund, and thus strengthen their infrastructure, the government seems to be sending a message that they are not going to be killed

On the whole, this seems like an interim budget for agriculture. There are no major announcements. The government will wait for a settlement with [protesting] farmers before announcing anything concrete

Budget 2021: **FM announces increase** in agriculture **credit target; allocation to Rural Infrastructure Development Fund to Rs 40,000Cr.**